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CANADA-US

Canada has announced plans to reduce crude oil exports to the US gradually over the next eight years. Energy Minister Donald MacDonald has told the House of Commons that exports will be cut from the current level of about 1 million barrels a day to 800,000 b/d by January 1, 1975, and to 650,000 b/d next July if the main oil-producing provinces, Alberta and Saskatchewan, agree.

The proposed cut in deliveries to the US, planned for over a year, is tied to the government's plan to pipe oil from western to eastern Canada. This plan is contingent, however, on the construction of a pipeline from Sarnia, Ontario, to Montreal. Scheduled for completion in 1976, it will have an initial capacity of 250,000 b/d. Meanwhile, eastern Canada continues to meet nearly all of its oil requirements from imports, mainly from Venezuela and the Middle East.

MacDonald said that if the producing provinces raise strong objections, which is likely, the level of 800,000 b/d will be maintained through 1975. In any case, this should not affect the long-term plan of phasing out exports by the early 1980s, when domestic supplies of crude oil are expected to fall below domestic demand.

The proposal to cut back production ahead of time reflects the National Energy Board's report that Canada's dwindling oil reserves are insufficient to supply rising domestic demand and continued high exports. MacDonald rejected a demand for an immediate halt to oil exports because of the potential harmful effects such a move would have on Canadian-US relations.

The immediate impact on US crude oil supplies from the proposed cutback should be small. In recent months, US refineries have been importing far less than what Canada allows because of the high price of Canadian crude oil. US crude oil imports from Canada in September were only about 725,000 b/d. [REDACTED]

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ETHIOPIA

The ruling military council executed General Aman and 59 detained military officers and former officials in hopes of finally ending all challenges to its authority.

The most prominent of those executed were senior military officers and former civilian officials, including many aristocrats and former cabinet ministers, accused of corruption and maladministration during the reign of Haile Selassie. Those killed also included officers who supported the initial military revolt last February but who had since been arrested for opposing specific policies of the council. The decision to carry out the executions apparently had broad support within the council and did not represent a grab for power by radicals who have favored this action for some time.

The council believed it had to act to forestall further attempts by Aman to assert his authority. Two of Aman's supporters on the council were among those executed. The council, in its statement on November 23 announcing Aman's removal as head of the provisional military government, accused him of attempting to assume dictatorial power. The council's differences with Aman came to a head last week over Aman's refusal to approve its decision to send military reinforcements to begin an offensive against insurgents in Eritrea Province.

The council apparently believed that the swift executions would cower Aman's supporters within the military. The executions, however, will probably increase dissension and rancor within the military. Aman had strong support within some units, especially the Third Division in eastern Ethiopia.

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The council's peremptory action against Aman, as well as its failure to consult other units regarding the execution of the other officials, will add to the increasing criticism that it is losing touch with the rest of the military.

The council has announced that it will name a new head of government from outside the council. It hopes to find another senior military officer or a well-known civilian to act as a figurehead, but it will have difficulty finding anyone to accept the post.

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JORDAN

King Husayn appointed a new government on Saturday as part of a continuing reorganization effort aimed at reducing West Bank Palestinian influence in Jordan. He also dissolved parliament and accepted the resignations of several top personal advisers.

The King reappointed Zaid Rifai, his long-time friend and confidant, as prime minister. Rifai will also continue to hold the posts of foreign minister and defense minister.

The retention of Rifai is sure to displease East Bank conservatives, particularly in the army, who had hoped to see him removed. Rifai and army Chief of Staff Bin Shakir have become symbols of government corruption and neglect of East Bank interests. But apart from the continued prominence of the controversial Rifai, the new cabinet should be well received by most of the King's East Bank supporters. Although roughly half of the 20-man cabinet consists of holdovers from the previous cabinet, Palestinian representation has been reduced from ten to four.

The US embassy in Amman believes the new cabinet probably represents the minimum gesture required to fulfill Husayn's pledge to make domestic changes following the Rabat summit meeting. [REDACTED]

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ARGENTINA

The drive by Argentine security forces to try to stamp out leftist guerrilla organizations appears to be gaining momentum.

Press reports suggest that police, using broad search and arrest powers under the current state of siege, are having success in a nationwide campaign to immobilize the clandestine terrorist groups. Evidence is fragmentary, but improved cooperation between the army and police probably is a major reason the counterterrorist program has gotten off to a good start.

The capture in Cordoba last week of a large number of extremists working for the People's Revolutionary Army and the retrieval of arms caches there and elsewhere could deal a setback to the subversive cause, but the tide has probably not turned yet. The terrorists have withstood such reversals in the past and have resumed the offensive with a vengeance.

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National Intelligence Bulletin November 25, 1974BRAZIL-AFRICA-PORTUGAL

Foreign Minister Silveira of Brazil will leave this week for Senegal and Portugal in his country's latest bid to deepen its African ties, while retaining its close relationship with Lisbon.

Silveira's stop in Dakar, billed publicly as an opportunity to discuss prospects for increased trade, will spotlight Brasilia's interest in black Africa. Members of the foreign minister's party may fan out to other countries to meet with leaders from Angola and the former colonies of Portugal.

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This portion of the trip is part of an overall effort to secure for Brazil an influential role in Portuguese-speaking Africa as well as elsewhere in the continent. If the effort is successful, Brazil will have achieved increased prestige not only in Africa but throughout the Third World.

In Portugal, Silveira's presence could serve a two-fold purpose: to signal a desire to improve relations with Lisbon, where recent political developments have made Brazil's conservative regime wary, and to point up the usefulness of a Brazilian role as "go-between" with Portuguese-speaking Africa.

In the final analysis, Silveira seeks to develop a leadership role for his country in the Portuguese-speaking community, which spans three continents. This is a goal that Brazil has sought for some time.

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ROMANIA

Romania's 11th Communist Party Congress, which opens today, will endorse Bucharest's maverick style of communism as enduring national policy.

The congress will be President Ceausescu's show from start to finish. The Bucharest city party organization has even called for his election as party secretary general for life. Delegates will approve the new party program that emphasizes a link between Romanian national interests and party policies and adapts Marxism-Leninism to Romanian conditions. Adoption of the program may ultimately lay Bucharest open to Soviet charges of "revisionism" on several counts.

The Soviets, for the moment at least, appear rather relaxed about that prospect. Party secretary Katushev was in Romania recently, presumably in part to take a first-hand reading on congress preparations. The Soviet delegation to the congress is led by Politburo member Kirilenko, Brezhnev's unofficial deputy--an indication of both a relaxed posture and the Soviets' commitment to at least the appearance of normal interparty relations, despite Bucharest's aberrations. Kirilenko attended the Yugoslav party congress earlier this year.

In an effort to strengthen its identity with the so-called progressive forces, Bucharest has also sent invitations to a wide array of Third World countries, national front movements, and West European leftist organizations and parties.

The congress will probably introduce new faces at all levels of the party command, and by the time the congress is over, one third of the members of all party bodies--including the Central Committee--will probably be newcomers to their posts. This is Ceausescu's way of breaking up regional fiefdoms, injecting new blood into the party, and attempting to stimulate renewed interest in party activity among the rank and file. The recent Cominformist affair in Yugoslavia has probably increased his desire to ensure a loyal following.

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Bucharest is determined that everything go well during the five-day congress. Security in the city and around Romanian installations abroad has been tightened in order to prevent any incident that might embarrass the regime.

The public, while generally responsive to Bucharest's recent trumpeting of Romanian interests, remains skeptical. The man on the street, resigned to tight internal security and a continuation of rather Spartan living conditions, is less than enthusiastic about the congress, the party program, and--to some extent--Ceaurescu himself.

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ITALY

A new government headed by Aldo Moro was sworn in on Saturday by President Leone.

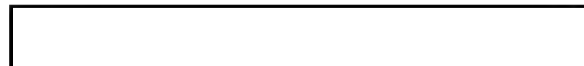
The government, which intends to go before parliament for the required vote of confidence on December 2, is a two-party coalition in which Moro's Christian Democrats have been joined by the small Republican Party. The two other center-left parties--the Socialists and the Social Democrats--have agreed to provide the coalition with a parliamentary majority.

The Republicans have been given five offices, including that of deputy prime minister, to be occupied by Republican Party chief Ugo la Malfa. The Christian Democrats will have the remaining 20 positions. Outgoing Prime Minister Mariano Rumor will take over Moro's post at the Foreign Ministry; Arnaldo Forlani, a conservative Christian Democrat, will be at defense; and Emilio Colombo will stay on at treasury.

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